

PATTERSON BROOK FOREST

With nearly two miles of high elevation terrain in common with Vermont's Putnam State Forest, this forestland offers unparalleled access to and views of Mount Hunger, one of the region's scenic landmarks.



1,003 GIS Acres
Worcester, Washington County, Vermont

New Price: ~~\$1,555,000~~ \$1,130,000

PROPERTY OVERVIEW

The 1,003-acre Patterson Brook Forest represents one of the largest private ownerships within the greater Montpelier region of central Vermont.

The property has been managed for decades as a traditional working forest under Forest Stewardship Council (FSC) guidelines, growing quality northern hardwoods and providing a host of diverse forest products to regional markets. While forest management has been the primary goal for the current and former ownerships, left untapped are the land's recreational and homestead amenities offered by its unique site features and location. Notable highlights include:

- Productive forest resource with standing Capital Timber Value (CTV) set at \$704,200;
- Potential sugarbush opportunity with tap count of 33,000±;
- Located within 10 miles of Vermont's capital city of Montpelier, one of the region's most economically and culturally vibrant communities;
- Directly abuts the 13,600-acre Putnam State Forest, with sweeping views of Mount Hunger, one of the state's significant landmarks and most popular hiking destinations;
- End-of-the-road access with steadily rising elevation, providing private, southerly-exposed homestead options.

The adjacent 763-acre Burnt Mountain Tract is also for sale by the same ownership. See maps at the end of this report for location and the broker's website for a separate report.



The property occupies the foreground of this photo and the lower slopes of the range behind.



The scenic village of Worcester in the North Branch River Valley. The property is to the left.

LOCATION

The property lies on the eastern flanks of the Worcester Range in Worcester, Vermont, in the north-central part of the state. The Worcester Range runs north-south just east of and parallel to the Green Mountain Range. It is a popular day hiking area from both the eastern and western approaches, with most climbers heading for the semi-alpine peak of Mount Hunger. From here, there are expansive views from the New York Adirondack Mountains to the New Hampshire White Mountains, and of the Subject property.

Worcester is primarily a bedroom community for Montpelier, Barre, Waterbury and larger employers in the Burlington region. The hilly town is defined by the slopes of the Worcester Range to the west, and the valley of the North Branch of the Winooski River to the east. The North Branch is fed by small streams from the hills on either side as it flows south towards the Winooski River in Montpelier. State Route 12 parallels the North Branch heading north towards Elmore and Morrisville and south to Montpelier. Much of the town is forested, with homes dotting the back roads and a few farms along the North Branch and scattered in the hills. The center of town includes a convenience store, post office and small cafe.

LOCATION (continued)

Downtown Montpelier, located 10 miles to the south, is the hub of the region and offers numerous shops and restaurants, a lively cultural scene, several colleges, state government and an array of employers. Outdoor recreation is a popular pastime with numerous hiking and biking trails throughout the region, a cross-country ski area, various ponds and lakes for fishing and boating, and 4 alpine ski areas within an hour's drive. Burlington, the state's largest city, is a 45-minute drive to the northwest. Boston is 3 hours southeast of the property and New York City is 5.5 hours to the southwest.

ACCESS

The property's eastern boundary begins where the town-maintained section of Hults Road and electric power terminate. Ownerships along Hults Road are mostly year-round homes with some seasonal camps. Hults Road is 0.25 miles in length, branching off West Hill Road, a popular stretch of real estate given the views offered by the opposing Worcester Mountain Range and Putnam State Forest landmarks (Burnt, White Rock and Hunger Mountains).

Beyond the town-maintained section of Hults Road, two Class IV roads run approximately 850' along the property boundary. From here, the northern internal road fully enters the land just before a gate, running westerly for 0.7 miles as a graveled, internal road. This road is suitable for most vehicle types and is also the location of a deeded right-of-way accessing the neighboring 100 acres to the west.

Two developed internal trails, covering nearly 0.7 miles, extend from the internal road. The western trail climbs to an elevation of 2,000' where there is level terrain, and sweeping views of the nearby mountains unfold (see maps for the icon locating this "Scenic Location").

TAX & TITLE INFORMATION

Property taxes in 2016 are \$2,746. The property is enrolled in the State of Vermont's Use Value Appraisal (UVA) program. The UVA program allows for a substantial property tax reduction in exchange for the practice of "good" silviculture and a commitment to non-development uses. A penalty is due to the town (equivalent to 10% of the fair market value of the withdrawn land, as assessed by the town as a stand alone parcel) at the time development occurs for only the acreage enrolled and developed.

The property is identified as Parcel OFFTR22.2 in the Town of Worcester. The property is owned by Timbervest Partners II ADK Green Mountain, LLC, whose deed is recorded in the Worcester Town Clerk's office in Book 47, Page 45.



Internal road section of Hults Road inside the property and beyond the gate.

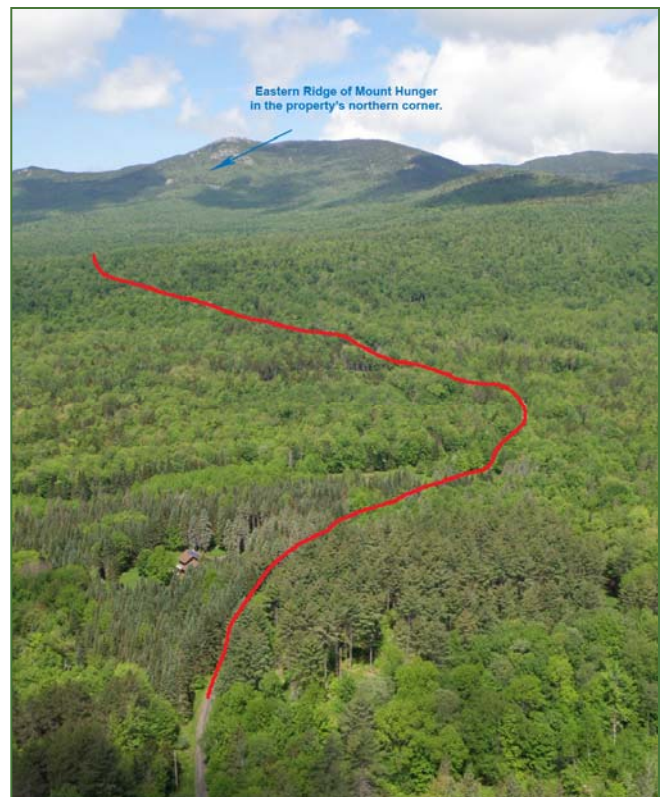


Photo showing the access road into the forest (in red) and identifying the portion of the Mount Hunger Ridgeline that rests within the property.

SITE OPPORTUNITY

At the end of the western trail, a level site feels like it is within arms reach of the Mount Hunger summit.



The forest's stunning view shed, developed internal access to high upland sites, and end-of-road privacy combine to offer a significant kingdom lot opportunity with close proximity to the Montpelier region. Multiple house site options are available off the internal access road, each ideally suited for a weekend retreat, retirement home or a large, working homestead. Much of the terrain is well-drained and gently-to-moderately sloped, enhancing the recreational amenity and expanding options for conversion to agricultural uses in certain areas. The land's high elevation, which starts at nearly 1,400' along the eastern boundary and tops out at 2,660' at the Mount Hunger ridge, gives rise to the unique views south to the Winooski River Valley and west to the Worcester Range and the Putnam State Forest landscape.

The northern section of the property, adjacent to Putnam State Forest, includes Mount Hunger's eastern ridge (a coveted location) and a private route to one of Vermont's most hiked peaks. The headwaters of Patterson Brook run through the property along the western boundary. It is a small stream which can be sleepy during the dry summer months, but it always holds deep pools, maintaining the local brook trout population.

The property's western and northern boundaries, stretching 1.7 miles, run in common with the state forest. Given the vast undeveloped acreage occupying the state lands and greater Worcester Range, large game wildlife sightings of bear, deer, grouse, beaver, mink, coyote and fisher are common and various game trails are strikingly noticeable.

While somewhat remote, the land's most intriguing site sits at the end of the western trail. Here a vast section of high elevation, level terrain unfolds less than a mile from Hunger, White Rock and Burnt Mountains. To the south are long range views of the more densely settled valley towards Montpelier. With such stunning views and access to peaks and undeveloped terrain, this is an exciting walking destination or a site worthy of lean-to or cabin construction (see maps for the icon locating this "Scenic Location").

Views to the south take in Vermont's rolling hills .



TIMBER RESOURCE

The forest has benefited from a long tenure of professional stewardship. A local forest management company has managed the property for the past 30 years, originally for a German pension fund, followed by an English pension fund. The current owner is a US-based Timber Investment Management Organization (TIMO). The current Capital Timber Value (CTV) accounts for 62% of the purchase price, with the balance realistically covering the bare land value held by the property's multiple-use opportunities (housing, conservation, recreation, etc). Given historical physical growth, ingrowth and stumpage price appreciation figures, the CTV within 12 years should comfortably cover the full purchase price.

Timber Inventory Process

Timber information provided in this report is based on a summer 2015 timber inventory for which 205 random BAF 10 factor points were taken. The TwoDog forest inventory processing software was used to calculate volumes from the inventory data (based upon 978 GIS map acres). Growth for 2015 and 2016 was applied, producing a total sawlog volume of 3,406 MBF International 1/4" scale (3.48 MBF/commercial acre) with 11,172 pulpwood cords (11.4 cords/commercial acre). This inventory process produced a sampling error statistic of ±11.5% for all sawlog and veneer products and ±9.7% for pulpwood products at the 95% confidence interval, a level lying well within industry standards.

Using these data, the broker and forester established stumpage values for the various products by species on the forest, producing a current Capital Timber Value (CTV) of \$704,200. This information is summarized on the attached Timber Valuation Sheet. Full details of the inventory procedure and results are available upon request.

Species Composition

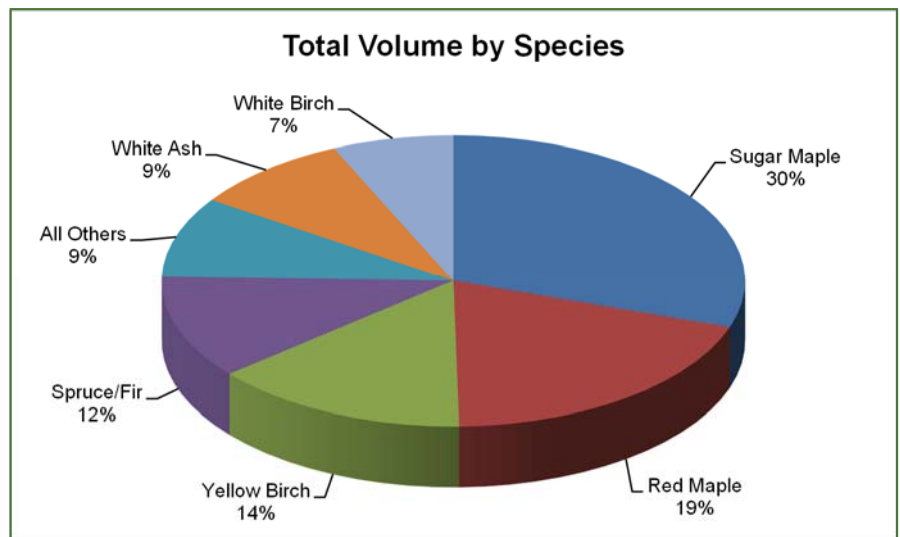
The forest's upland terrain has resulted in a timber resource dominated by northern hardwoods (87% of species composition). The maples are the major species (49%), followed by yellow birch (14%) and spruce/fir (12%).



Typical hardwood stand after shelterwood treatment with larger diameter stems retained.



Typical thinned hardwood stand.



TIMBER RESOURCE (continued)

Forest Stands

The property's Current Use management plan has identified 11 forest stands. The lower, eastern extreme of the land hosts several small pine plantations (totaling 6 acres) established in the late 50s, convenient and aesthetically attractive sites for home development. The northernmost stand situated along Mount Hunger's eastern ridge (stand 8) holds some of the property's oldest trees with spruce and yellow birch well in excess of 125 years.



Pine plantation along Hults Road.

Diameter Distribution

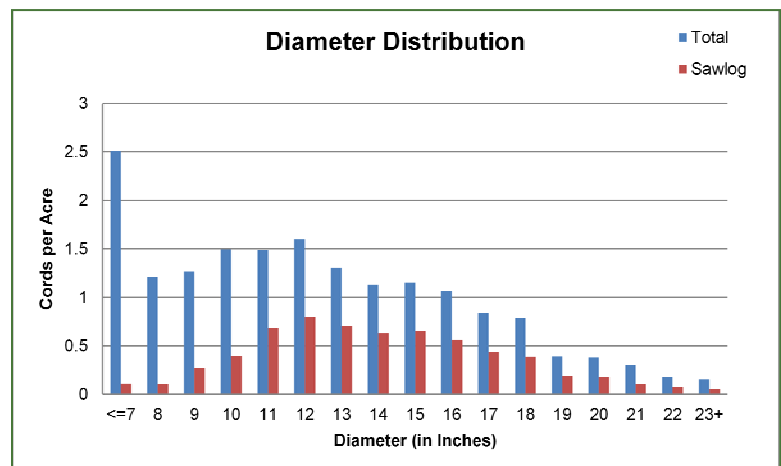
Average diameter for all products combined is 12.0", with sawlogs at 13.5". Average diameters for the three major species are sugar maple 15.0", spruce/fir 10.5" and yellow birch 14.5". The diameter distribution chart (right) portrays the forest's abundant growing stock (saplings and poles - 5-10" stems) which accounts for 37% of total volume.

Sugarbush Opportunity

The property offers a potential sugarbush opportunity, with the timber data indicating roughly 37,750 sugar and red maple taps property-wide (utilizing all stems 9" and greater). Note, however, that the above level of taps should be lowered (by as much as 20%) to more accurately reflect an economically feasible sugarbush, based on density and other factors

Recent Silvicultural Operations

Over the past 6 years, much of the silvicultural activity focused on establishing regeneration through textbook shelterwoods and seedtree treatments, covering roughly 365 acres. In these areas, the most superior stems were retained, evenly spaced, with all other stems removed. At the property's center, a 70-acre clear cut was conducted in 2012. These treatment areas clearly show up on the recent photo maps provided in this report.



Shelterwood harvest in 2002 depicting the even spacing of residual crop trees with Mount Hunger in the backdrop.

Fountains Land is the exclusive broker representing the seller's interest in the marketing, negotiating and sale of this property. Fountains has an ethical and legal obligation to show honesty and fairness to the buyer. The buyer may retain brokers to represent their interests.

All measurements are given as a guide, and no liability can be accepted for any errors arising therefrom. No responsibility is taken for any other error, omission, or misstatement in these particulars, nor do they constitute an offer or a contract. We do not make or give, whether in these particulars, during negotiations or otherwise, any representation or warranty in relation to the property.

PATTERSON BROOK FOREST

Timber Valuation

Prepared By

F&W FORESTRY SERVICES INCORPORATED

Worcester, Vermont
July 2017

1,001 Acres
978 Commercial Acres

Species	Volume MBF/CD	Unit Price Range			Total Value
		Low	High	Likely	Likely
Sawtimber - MBF (International 1/4")					
Sugar Maple	770	325.00	400.00	360.00	277,300
Spruce/Fir	682	110.00	150.00	120.00	81,800
White Ash	227	175.00	230.00	200.00	45,400
Yellow Birch	188	200.00	275.00	230.00	43,300
Sugar Maple Pallet	533	50.00	100.00	75.00	40,000
Red Maple	244	125.00	160.00	140.00	34,100
Birch Pallet	364	40.00	75.00	60.00	21,800
White Birch Veneer	14	600.00	900.00	700.00	9,900
Hardwood Pallet	243	25.00	50.00	40.00	9,700
White Birch	62	75.00	110.00	90.00	5,600
Sugar Maple Veneer	2	1,000.00	1,200.00	1,100.00	2,500
Hemlock	43	35.00	60.00	45.00	1,900
Black Cherry	5	190.00	300.00	225.00	1,200
Aspen	16	25.00	60.00	40.00	700
White Pine Pallet	8	15.00	50.00	25.00	200
Other Hardwood	4	25.00	50.00	40.00	100
Pulpwood - Cords					
Hardwoods	10,305	10.00	15.00	12.00	123,700
Spruce/Fir	650	3.00	8.00	6.00	3,900
Hemlock	195	3.00	8.00	5.00	1,000
Pine	22	3.00	8.00	5.00	100

Totals				
Sawtimber Total	3,406 MBF			\$575,500
Sawtimber Per Acre	3.401 MBF			\$575
Sawtimber Per Comm. Acre	3.484 MBF			\$589
Cordwood Total	11,172 Cords			\$128,700
Cordwood Per Acre	11.2 Cords			\$129
Cordwood Per Comm. Acre	11.4 Cords			\$132
			Total Per Acre	\$703

Total Value	<u>Low</u>	<u>High</u>	<u>Likely</u>
		\$654,000	\$770,000

BASED ON A EARLY SUMMER 2015 INVENTORY CRUISE COMPOSED OF 205 PLOTS BY FOUNTAINS FORESTRY

Volumes have been grown forward two seasons using FIA growth rates for Washington, Lamoille, Windsor and Orange Counties in Vermont
The inventory resulted in a statistical error of $\pm 11.5\%$ for sawlogs and $\pm 9.7\%$ for total volume at the 95% confidence level.

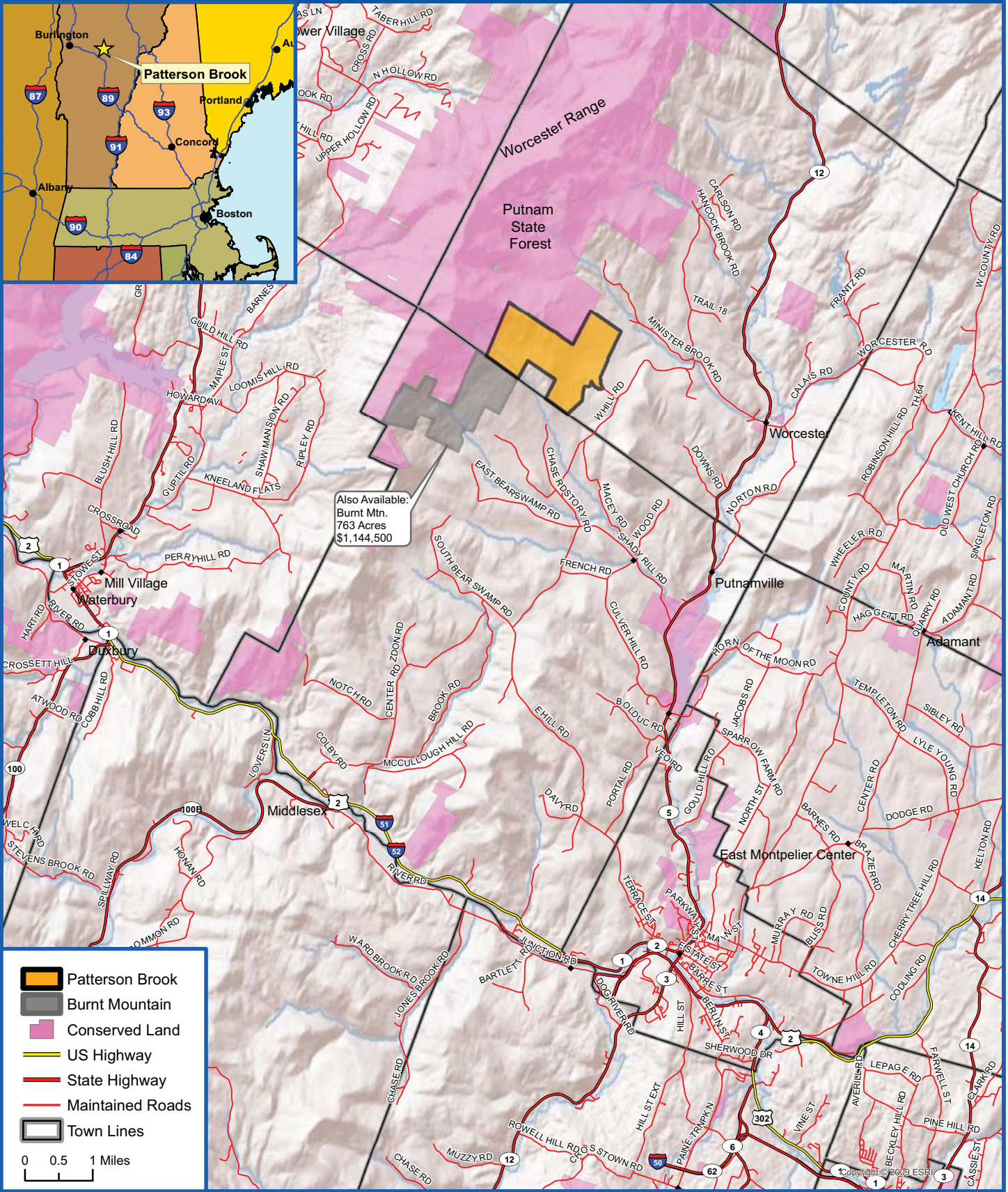
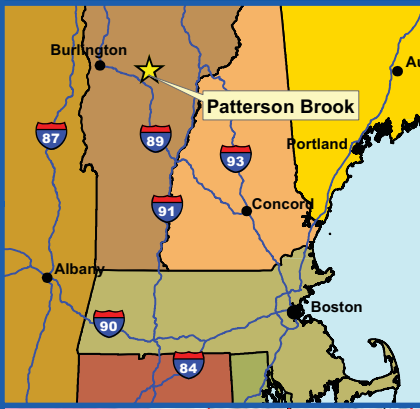
The volumes and values reflect estimated total capital value of merchantable timber.

The volumes and values are not a liquidation value.

Prices are averages for the area and are adjusted to reflect, access, quality and operability of the site.

Locus Map Patterson Brook Forest

1,001 GIS Acres
Worcester, Vermont



Also Available:
Burnt Mtn.
763 Acres
\$1,144,500

- Patterson Brook
- Burnt Mountain
- Conserved Land
- US Highway
- State Highway
- Maintained Roads
- Town Lines

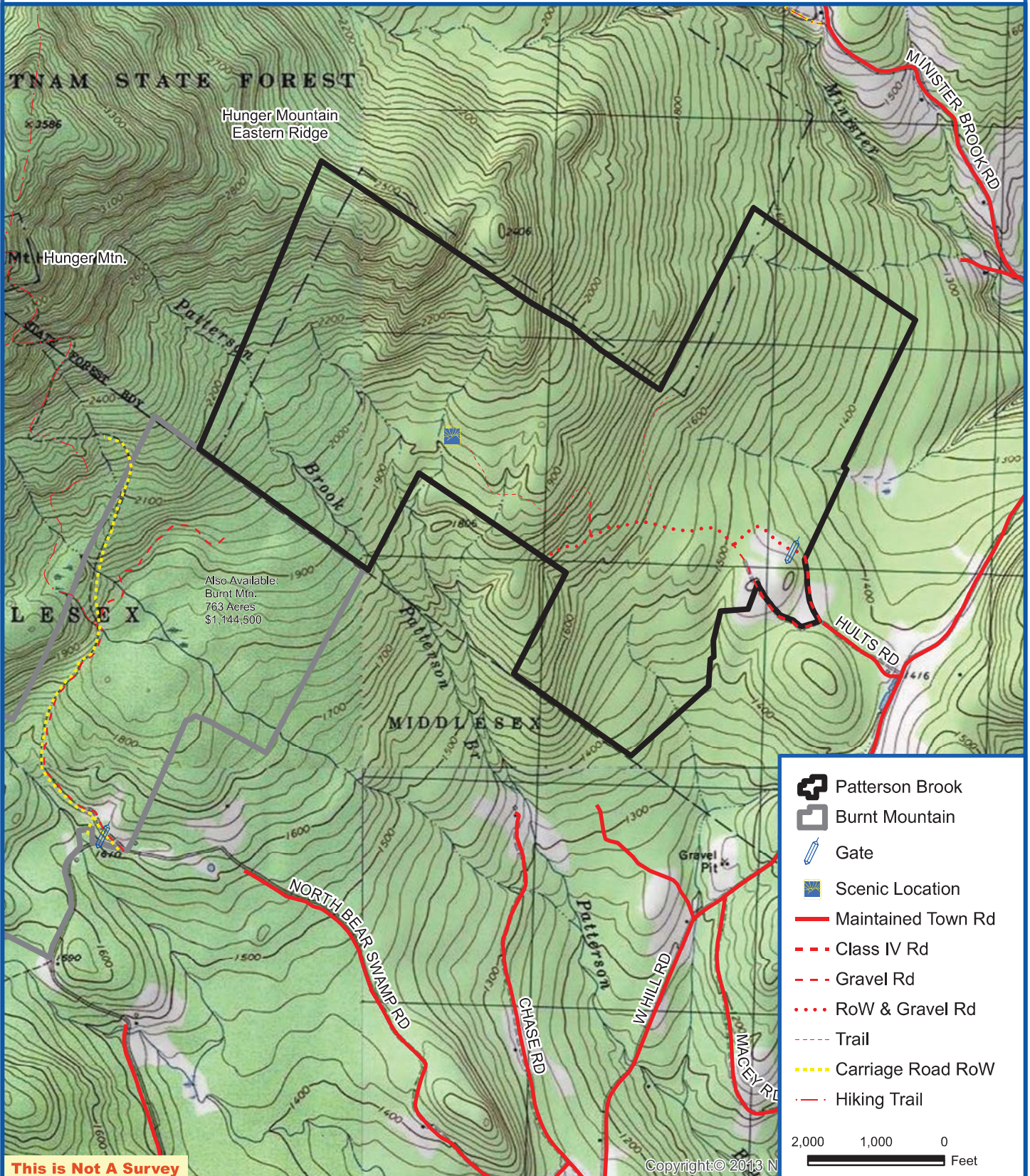
0 0.5 1 Miles



Patterson Brook Forest

fountains

1,001 GIS Acres
Worcester, Vermont



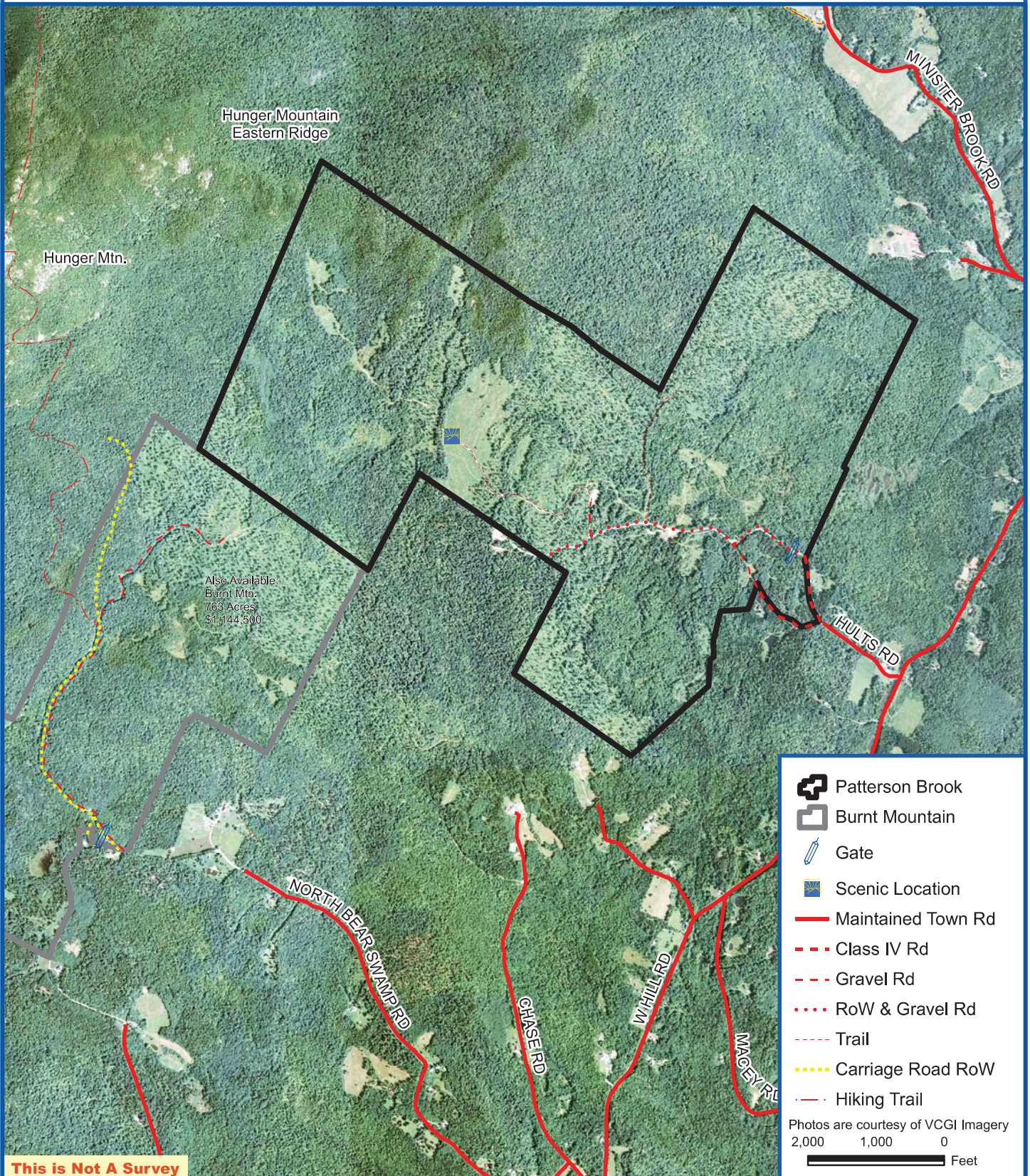
Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from VVGI, Vermont Land Trust and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.



Patterson Brook Forest

fountains

1,001 GIS Acres
Worcester, Vermont



Map produced from the best available information including town tax maps, hand held GPS data, aerial photography and reference information obtained from VVGI, Vermont Land Trust and the owner. Boundary lines portrayed on this map are approximate and could be different than the actual location of boundaries found in the field.



Vermont Real Estate Commission Mandatory Consumer Disclosure



[This document is not a contract.]

This disclosure must be given to a consumer at the first reasonable opportunity and before discussing confidential information; entering into a brokerage service agreement; or showing a property.

RIGHT NOW YOU ARE NOT A CLIENT

The real estate agent you have contacted is not obligated to keep information you share confidential. **You should not reveal any confidential information that could harm your bargaining position.**

Vermont law requires all real estate agents to perform basic duties when dealing with a buyer or seller who is not a client. All real estate agents shall:

- Disclose all material facts known to the agent about a property;
- Treat both the buyer and seller honestly and not knowingly give false or misleading information;
- Account for all money and property received from or on behalf of a buyer or seller; and
- Comply with all state and federal laws related to the practice of real estate.

You May Become a Client

You may become a client by entering into a written brokerage service agreement with a real estate brokerage firm. Clients receive the full services of an agent, including:

- Confidentiality, including of bargaining information;
- Promotion of the client's best interests within the limits of the law;
- Advice and counsel; and
- Assistance in negotiations.

You are not required to hire a brokerage firm for the purchase or sale of Vermont real estate. You may represent yourself.

If you engage a brokerage firm, you are responsible for compensating the firm according to the terms of your brokerage service agreement.

Before you hire a brokerage firm, ask for an explanation of the firm's compensation and conflict of interest policies.

Brokerage Firms May Offer

NON-DESIGNATED AGENCY or DESIGNATED AGENCY

- **Non-designated agency** brokerage firms owe a duty of loyalty to a client, which is shared by all agents of the firm. No member of the firm may represent a buyer or seller whose interests conflict with yours.
- **Designated agency** brokerage firms appoint a particular agent(s) who owe a duty of loyalty to a client. Your designated agent(s) must keep your confidences and act always according to your interests and lawful instructions; however, other agents of the firm may represent a buyer or seller whose interests conflict with yours.

THE BROKERAGE FIRM NAMED BELOW PRACTICES

NON-DESIGNATED AGENCY

I / We Acknowledge Receipt of This Disclosure

This form has been presented to you by:

Printed Name of Consumer

Fountains Land
Printed Name of Real Estate Brokerage Firm

Signature of Consumer

Date

Michael Tragner
Printed Name of Agent Signing Below

[] Declined to sign

Printed Name of Consumer

[Signature]
Signature of Agent of the Brokerage Firm Date

Signature of Consumer

Date

[] Declined to sign